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Senate

The Senate met at 11 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Almighty God, who knows us as we really are and whose grace gives us the courage to change and become more of what we were meant to be, we thank You for this quiet moment in which no secrets are hidden from You, and our deepest longings are revealed. As we begin this new work week, wash out of our minds any negative thinking or any emotions resistant to Your will. Help us to form and hold the picture of ourselves as servant-leaders filled with Your power, patriotism, and enthusiasm. May we completely be absorbed with what is best for our Nation and work together with a cooperative attitude. Free us of the pride that thinks too much about the perpendicular pronoun. We want to be motivators rather than manipulators of the people around us. May this be a great day of progress for the work of the Senate. To that end, bless the Senators with Your grace and goodness. Through our Lord and Savior. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able acting majority leader is recognized.

Mr. HAGEL. I thank the Chair.

SCHEDULE

Mr. HAGEL. This morning the Senate will be in a period of morning business until 1 p.m. Following morning business, the Senate will begin consideration of S. 1059, the Department of Defense authorization bill. Amendments to the defense authorization bill are expected to be offered during today's session of the Senate. If votes are

ordered with respect to S. 1059, those votes will be stacked to occur at 5:30 p.m. this evening. As always, Senators will be notified as votes are ordered.

It is the intention of the leader to complete action on the defense authorization bill this week as well as the defense appropriations bill. Therefore, Senators can expect votes into the evening throughout the week.

I thank my colleagues for their attention and cooperation.

Mr. President, I note the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Mrs. FEINSTEIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HAGEL). Without objection, it is so ordered.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER. Under the previous order, leadership time is reserved.

MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 1 p.m. with Senators permitted to speak therein for up to 10 minutes. The time until 12 noon shall be under the control of the Senator from Illinois, Mr. DURBIN, or his designee, with 20 minutes of the time to be under the control of the Senator from North Dakota, Mr. CONRAD.

Mrs. FEINSTEIN. Mr. President, I designate myself to control approximately 10 minutes of time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. FEINSTEIN. I thank the Chair.

WORK INCENTIVES IMPROVEMENT ACT

Mrs. FEINSTEIN. Mr. President, I wish to speak for a few moments today about a bill that many Senators, some 70 of us, believe will improve the lives of millions of disabled Americans. The Work Incentives Improvement Act would allow disabled adults to enter the workforce without placing their Medicaid or Medicare benefits at risk. I particularly thank Senators KENNEDY, JEFFORDS, MOYNIHAN, and ROTH for their outstanding leadership in crafting this legislation. I am very proud to be a cosponsor.

Today, more than 8 million working-age adults receive disability payments from the Federal Government for conditions that range from paralysis to multiple sclerosis. A recent Harris poll showed that 72 percent of these disabled people would really like to work, but disabled Americans face a terrible Catch-22. The Federal Medicaid program won't cover people who continue to work and remain disabled. So if a disabled adult earns more than \$500 a month, he or she loses their Medicaid. That is the rub.

The eligibility criteria for Medicaid benefits have had a devastating effect on disabled Americans. The Medicaid program equates having a disability with being poor and unable to work, furthering inaccurate stereotypes about disability. To make things worse, the Medicaid program ensures that disabled people who do work end up having to shoulder the cost of their care by themselves.

For all but the best-off disabled Americans, these costs are prohibitive. People with serious medical conditions can't pay the out-of-pocket costs of their medical treatment. These costs can run into the tens of thousands of dollars each year. In other words, if a disabled American does have a job, the minute that disabled American earns more than \$500 a month, they fall off a cliff and they lose their Medicaid or

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



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their Medicare. So millions of disabled Americans remain dependent on cash assistance from the Federal Government simply because they can't work and keep Medicaid at the same time.

Last year, I wrote to President Clinton urging a remedy to the situation. I am proud to be an original cosponsor of the Work Incentives Improvement Act. This bill allows Americans with disabilities to enter the workforce without losing their health coverage under Medicaid or Medicare. Even if disabled people are working in full-time jobs with health benefits, they will be able to buy their Medicaid coverage for medical expenses that their regular insurance does not cover.

In addition, the Work Incentives Improvement Act sets up a new system called Ticket to Work, to provide better job training and placement services for the disabled. The Work Incentives Improvement Act will enable disabled Americans to pursue self-sufficiency, to achieve independence, and to contribute in meaningful ways to our economy. It is certainly an idea whose time has come. That is why over 70 Senators have signed on as cosponsors.

Unfortunately, the Senate has not had the chance to vote on this important legislation. The reason I am on the floor today, as well as others who I hope will be coming to the floor, is to urge Senate Majority Leader TRENT LOTT to bring the Work Incentives Improvement Act to the Senate floor for a vote soon. No one should have to choose between a job and their health. By preserving Federal health benefits for disabled workers, we can avoid the Catch-22 and, most importantly, we can help the disabled to live full and healthy lives.

Mr. President, I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Mr. GRAMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAMS. Mr. President, I ask unanimous consent that I be allowed to speak for up to 25 minutes in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. GRAMS pertaining to the introduction of S. 1102, S. 1103, S. 1104 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. GRAMS. I yield the floor and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant called the roll.

Mr. CONRAD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CRISIS IN THE FARM ECONOMY

Mr. CONRAD. Mr. President, I rise today to talk about the continuing crisis in the farm economy. I have just been home the weekend before last. Everywhere I went in my State, people were saying to me: Senator, something has to be done. We are facing a crisis in rural America. The prices we are getting for things continues to be at very low levels—in fact, we have the lowest prices in 53 years—and at the same time everything we buy is going up. That is putting us in a cost/price squeeze that is truly strangling American farmers.

The result is going to be devastating unless there is a response. Last year, the Federal Government did respond with a \$6 billion program of disaster assistance that made a significant difference in rural America. About half of that money went for a support, a supplement that gave farmers some assistance when prices were collapsing. There was also a second major element for a disaster program, natural disasters around the country that had dramatically reduced farm income. That program made a significant difference.

Those same conditions continue this year. Prices again are at very low levels, and we have seen natural disasters once again strike rural America. In fact, we now know to deliver on the promise we made last year on a disaster program is going to require more money than we appropriated. We appropriated about \$3 billion for that purpose. We now know delivery on the program we passed is going to cost another \$1.5 billion, because the signup of agricultural producers that is now completed indicates to us there are far more who are eligible than we thought when we wrote the program. That is, of course, because we were faced with a moving target. We were faced with additional natural disasters that deepened and worsened and made more farmers eligible.

I believe we need that \$1.5 billion to keep the promise made last year and another \$2.8 billion that will be necessary to give the same kind of income support we provided last year, about a 50-percent AMTA supplemental.

Why are these necessary? What is happening out there so those of us who represent farm country come to our colleagues and talk about a crisis in rural America? Perhaps the best way of showing what has happened is this chart that shows what has happened, over a 53-year period, to farm prices. As we can see, with spring wheat and barley prices from 1946 to 1999, we are now at the lowest level for barley and wheat prices in 53 years. That is the hard reality our farmers are coping with, the lowest prices in 53 years. We know that earlier this year hog prices fell to 8 cents a pound. It costs 40 cents a pound to produce a hog.

To put these prices into some perspective, these are per bushel. We are down to a price per bushel of \$2.60 to \$2.70 for wheat. I know a bushel does

not mean a lot to many people in our very urban society today, but a bushel of wheat weighs 56 pounds. So farmers are getting 5 cents a pound—actually something less than 5 cents a pound—for the product they produce. There is no way you can make it when you are getting 5 cents a pound for a product that costs at least 10 cents a pound to produce. But that is what is happening to farmers.

Let me go to the next chart that shows what is happening to wheat prices received by farmers in relationship to cost. This green line shows the cost of production in 1997. You can see it is just about \$5 a bushel. That is the cost. That is the best estimate of what it costs across the country to produce a bushel of wheat, just above \$5. You can see the last time farmers were getting above \$5 was back in 1996. Since that time, in 1997, it was far below the cost of production, and it has done nothing but get worse through 1998 and on into 1999. We are far below the cost of production. As I indicated, we are running, down here at \$2.60 a bushel. The cost of production is over \$5. It is no wonder farmers are saying we desperately need a Federal response.

Why is it a Federal responsibility? For the entire history of the United States, we have recognized the special role of agriculture. We have recognized it is subject to dramatic swings in both production and prices, because, first of all, it is a product that depends on the weather, and the weather is very unpredictable, as we have seen across the country for year after year after year. On top of that, we are subjected to dramatic price swings. In the last several years, we have been influenced by the collapse in Asia; we lost one of our biggest customers. We have also seen a financial collapse in Russia. Of course, Russia was a key customer of the United States. Those two things have had a dramatic and adverse impact on price. You can see it here—prices down, down, down—and the cost of production staying up. That has put our farmers at an extreme disadvantage.

While farmers are paying more but receiving less, it is not surprising, then, they find themselves in a cost/price squeeze. This green line shows the prices farmers paid for various inputs. As you can see, the prices farmers had been paying had been going up rather steadily. They have actually leveled off in the last 3 years. But look at what the prices that farmers have been receiving look like. That is this red line. We can see it peaked right at the time we passed the 1996 farm bill.

The 1996 farm bill changed everything. It said, instead of adjusting what Government provides by way of assistance when prices fall, we will no longer do that. The new farm bill said we are going to have fixed payments that are sharply reduced year after year no matter what happens to prices.

Here is the pattern we see: the prices farmers pay for goods they use to produce products going up; the prices